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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company for Compliance Review of Utility Owned Generation Operations, Portfolio Allocation Balancing Account Entries, Energy Resource Recovery Account Entries, Contract Administration, Economic Dispatch of Electric Resources, Utility Owned Generation Fuel Procurement, Diablo Canyon Seismic Studies Balancing Account, and Other Activities for the Record Period January 1 Through December 31, 2019. (U39E)

Application 20-02-009

ASSIGNED COMMISSIONER'S AMENDED SCOPING MEMO AND RULING

The scoping memo and ruling issued on June 19, 2020 (Initial Scoping Memo) sets forth the category, issues to be addressed, and schedule of the proceeding pursuant to Public Utilities (Pub. Util.) Code § 1701.1 and Article 7 of the Commission's Rules of Practice and Procedure. This Amended Scoping Memo and Ruling (Amended Scoping Memo) supersedes and amends both the scope of issues and the procedural schedule in the Initial Scoping Memo. This Amended Scoping Memo also reaffirms the Initial Scoping Memo's determinations of category, need for hearings and designation of presiding officer.

1. Procedural Background

On February 28, 2020, Pacific Gas and Electric Company (PG&E) submitted Application (A.) 20-02-009, *Application of Pacific Gas and Electric Company for Compliance Review of Utility Owned Generation Operations, Portfolio Allocation Balancing Account Entries, Energy Resource Recovery Account Entries, Contract Administration, Economic Dispatch of Electric Resources, Utility Owned Generation Fuel Procurement, Diablo Canyon Seismic Studies Balancing Account, and Other Activities for the Record Period January 1 Through December 31, 2019* (Application). Protests were timely filed by the Public Advocates Office (Cal Advocates) and the East Bay Community Energy, Marin Clean Energy, Peninsula Clean Energy, Pioneer Community Energy, San Jose Clean Energy, Silicon Valley Clean Energy, and Sonoma Clean Power (collectively, the Joint CCAs) on April 2, 2020. PG&E timely filed a response to the protests on April 13, 2020.

On April 16, 2020, Administrative Law Judge (ALJ) Elaine Lau issued an e-mail ruling setting a telephonic prehearing conference (PHC) and directing parties to meet and confer on a procedural schedule and scope of issues. On May 4, 2020, PG&E served and filed a report of the meet and confer (Meet and Confer Report). In the Meet and Confer Report, PG&E states that parties agreed to a list of issues to be included in this proceeding, but disagreed on the issues that are related to the undercollection of sales resulting from PG&E's Public Safety Power Shutoff (PSPS) events in 2019.

A PHC was held on May 12, 2020 to discuss the scope of issues, the need for hearings, and the proceeding schedule. The assigned Commissioner issued an Initial Scoping Memo on June 19, 2020.

2. Issues

Phase I of this proceeding will consider the following issues:

1. Whether PG&E, during the record period, prudently administered and managed the following, in compliance with all applicable rules, regulations and Commission decisions, including but not limited to Standard of Conduct No. 4 (SOC 4):

- a. Utility-Owned Generation facilities;
- b. Qualifying Facilities (QF) Contracts and Non-QF Contracts.

If not, what adjustments, if any, should be made to account for imprudently managed or administered resources?

2. Whether PG&E achieved least cost dispatch of its energy resources and economically-triggered demand response programs pursuant to SOC 4;
3. Whether the entries recorded in the Energy Resource Recovery Account (ERRA) and the Portfolio Allocation Balancing Account are reasonable, appropriate, accurate, and in compliance with Commission decisions;
4. Whether PG&E's greenhouse gas compliance instrument procurement complied with its Bundled Procurement Plan;
5. Whether PG&E administered resource adequacy procurement and sales consistent with its Bundled Procurement Plan;
6. Whether the costs incurred and recorded in the following accounts are reasonable and in compliance with applicable tariffs and Commission directives:
 - a. Diablo Canyon Seismic Studies Balancing Account;
 - b. Green Tariff Shared Renewables Memorandum Account;
 - c. Green Tariff Shared Renewables Balancing Account;
 - d. Disadvantaged Communities Single Family Solar Affordable Homes Memorandum Account; and

e. Disadvantaged Communities Single Family Solar Affordable Homes Balancing Account.

7. Whether there are any safety considerations raised by this application.

The issues to be determined are amended to include consideration of three issues related to the Public Safety Power Shutoffs (PSPS) in a second phase of this proceeding.

Phase II of this proceeding will consider the following issues:

1. Should sales forecasting methods for adjusting revenue requirement under current decoupling policy be adjusted to account for power not sold during a PSPS event? If so, how?
2. What methods should be used to account for sales lost during PSPS distinct from sales reductions due to conservation?
3. If a utility does not collect its entire revenue requirement due to lower volumetric sales during a PSPS, should it be prevented from adjusting future revenue requirements to make up for any undercollection? If so, how?

3. Need for Evidentiary Hearing

Resolution ALJ 176-347, issued on March 12, 2020, determined that evidentiary hearing is needed in this proceeding. The scoping issues in this proceeding include contested material issues of fact. Accordingly, I affirm that evidentiary hearing is needed.

The schedule set forth in this Scoping Memo includes a date for the completion of settlement talks for issues considered in Phase I of this proceeding. By September 14, 2020, the parties shall submit to the assigned

ALJ a status report of their efforts, identifying agreements reached and unresolved issues requiring hearing.

4. Schedule

The proceeding schedule is revised to add a second phase of the proceeding as follows:

Phase I	
Intervenor Testimony	July 10, 2020
Intervenor Reply	July 22, 2020
Rebuttal Testimony	August 21, 2020
Status Report of Settlement Discussions	September 14, 2020
Evidentiary Hearings	September 21 - 25, 2020
Opening Briefs	October 19, 2020
Reply Briefs	November 9, 2020

Phase II	
Phase II Status Conference	To Be Determined
Intervenor Testimony on PSPS-related issues.	To Be Determined
Rebuttal Testimony on PSPS-related issues.	To Be Determined
Opening Briefs	To Be Determined
Reply Briefs	To Be Determined

The assigned Commissioner or ALJ may modify this proceeding schedule as necessary to promote the efficient and fair resolution of the Application. Phase I of this proceeding will stand submitted upon the filing of reply briefs unless the ALJ requires further evidence or argument. It is the Commission's intent to complete this proceeding within 18 months as required by Pub. Util. Code § 1701.5(a).

5. Alternative Dispute Resolution (ADR) Program

The Commission's ADR program offers mediation, early neutral evaluation, and facilitation services, and uses ALJs who have been trained as neutrals. At the parties' request, the assigned ALJ can refer this proceeding to the Commission's ADR Coordinator. Additional ADR information is available on the Commission's website.¹

Any settlements between parties, whether regarding all or some of the issues, shall comply with Article 12 of the Rules and shall be served in writing. Such settlements shall include a complete explanation of the settlement and a complete explanation of why it is reasonable in light of the whole record, consistent with the law and in the public interest. The proposing parties bear the burden of proof as to whether the settlement should be adopted by the Commission.

6. Category of Proceeding/*Ex Parte* Restrictions

This ruling confirms the Commission's preliminary determination that this is a ratesetting proceeding. (Resolution ALJ 176-3457) Accordingly, *ex parte* communications are restricted and must be reported pursuant to Article 8 of the Commission's Rules of Practice and Procedure.

¹ See D.07-05-062, Appendix A, Section IV.O.

7. Response to Public Comments

Parties may, but are not required to, respond to written comments received from the public. See Pub. Util. Code § 1701.1(g). Parties may do so by posting such response using the “Add Public Comment” button on the “Public Comment” tab of the docket card for the proceeding.

8. Public Advisor

Any person interested in participating in this proceeding who is unfamiliar with the Commission’s procedures or has questions about the electronic filing procedures is encouraged to obtain more information at <http://consumers.cpuc.ca.gov/pao/> or contact the Commission’s Public Advisor at 866-849-8390 or 415-703-2074 or 866-836-7825 (TTY), or send an e-mail to public.advisor@cpuc.ca.gov.

9. Service of Documents on Commissioners and Their Personal Advisors

Rule 1.10 requires only electronic service on any person on the official service list, other than the ALJ.

When serving documents on Commissioners or their personal advisors, whether or not they are on the official service list, parties must only provide electronic service. Parties must NOT send hard copies of documents to Commissioners or their personal advisors unless specifically instructed to do so.

10. Assignment of Proceeding

Martha Guzman Aceves is the assigned Commissioner. Elaine Lau is the assigned ALJ and presiding officer for the proceeding.

IT IS RULED that:

1. The scope of this proceeding is amended as set forth above.
2. The schedule of this proceeding is amended as set forth above.

Dated August 14, 2020, at San Francisco, California.

/s/ MARTHA GUZMAN ACEVES

Martha Guzman Aceves
Assigned Commissioner